

**Office of Inspector General
U.S. Department of State
U.S. Arms Control and Disarmament Agency
U.S. Information Agency, including
Broadcasting Board of Governors**

Reports and Testimony

July 1998

This report describes testimony provided by the Inspector General or other OIG officials and lists OIG reports issued during the period indicated. This report includes unclassified summaries of classified reports; all text in this report is unclassified. Classified reports are not distributed publicly. On occasion OIG distributes an unclassified version of a classified report; in such a case, this listing also indicates the issue date of the original report. In addition, all major reports, together with OIG investigative activities, are summarized in the Inspector General's semiannual reports to the Congress, which are publicly available every June and December.

Reports Issued by the Office of Audits

Review of Professional Associates Program (98-CI-10)

In a review of the Professional Associates (PA) Program, OIG determined that the PA program is a cost-effective method of filling staffing gaps overseas and providing employment opportunities for Eligible Family Members (EFMs). The estimated savings in travel, housing, shipping, and associated support costs is approximately \$105,000 annually over the cost of a Junior Officer position. The program provides the PAs with an opportunity to work and contribute to the mission of the post. However, there are several opportunities for program expansion and improvement. Specifically, we found (1) room for expansion beyond the consular cone to other cones, (2) fragmented program management and a lack of coordination, (3) an inadequate selection process, and (4) a lack of program flexibility (including limitations on what duties a PA may perform). In addition, we also found personnel issues, such as inadequate performance standards and a lack of training support. As a result, we believe that the Department has demonstrated less than full support for the PA program.

To improve the program, OIG recommended that the Bureau of Personnel devote sufficient time to properly administer the program. Other recommendations included developing and distributing program guidance to the field, developing adequate performance standards, improving the training support for PAs, and increasing program flexibility by hiring PAs outside of the normal bidding cycle.

Consular Agent Program (98-CI-13)

Consular agents, who have been a part of the State Department system for over 150 years, are part-time Foreign Service employees authorized to provide limited consular and other related services at specified locations abroad where there is no Foreign Service post. The primary function of consular agents is to provide American citizen services. The objective of the audit was to evaluate how well the Department of State manages the consular agent program and to identify areas susceptible to fraud and malfeasance.

Consular agencies provide several important benefits. The agencies (1) are a low-cost alternative for providing consular services particularly to U.S. citizens overseas, (2) enable posts to provide more timely services to U.S. citizens, (3) allow for more efficient overseas use of post personnel and travel resources, and (4) are more flexible than establishing and operating an embassy or consulate. Our review, however, disclosed several weaknesses that detract from the program, including (1) insufficient program oversight, (2) a lack of program guidance, (3) a lack of global analysis to determine the need for consular agencies, and (4) a failure to seek reimbursement from other U.S. Government agencies using consular agency services. Also,

consular agent personnel issues we identified include (1) inadequate performance standards and evaluations, (2) inaccurate compensation to some agents, and (3) the absence of formal training. Based on our analysis and discussions with officials at posts, CA, and several geographic bureaus, one important cause underlying the program weaknesses is the absence of a management focal. Because program management is decentralized among the bureaus, addressing systemic problems is cumbersome and difficult. A management focal point would not fix all systemic problems, but would address, and give appropriate priority to, those relating to decentralization. The OIG recommended establishing a management focal point to address the weaknesses identified in the program.

Reports Issued by the Office of Inspections¹

Embassy Nicosia, Cyprus, and the U.S. Information Service Cyprus (ISP/I-98-28)

The Ambassador has made a negotiated end to the Greek-Turkish ethnic division of Cyprus his first priority and turned Embassy Nicosia into a force to promote a two zone, two community federation. The insertion of the Special Presidential Emissary, a person of international stature, enhances the Ambassador's influence and complicates it. The Ambassador balances the equation by regarding the special emissary as "the captain of the Cyprus team" and sees his own role as priming the policy pump. The Ambassador has also exerted his influence in managing the embassy's relations with representatives of the two ethnic sides, reaching out to both. His greatest contribution may be the added impetus he has given to establishing and nurturing bi-communal groups. This effort heavily involves the Fulbright Commission, which administers U.S. Agency for International Development funds for scholarships and other exchanges. Some fear that greater involvement by the embassy in the work of the Commission may damage the Commission's virtually unique acceptance by both sides. The Ambassador sees this as a necessary risk, given the high stakes for U.S. interests. The U.S. Information Agency should add a second American officer to USIS Cyprus's staff to relieve the public affairs officer, who has a plethora of programs, activities, and requests to manage. Unanticipated growth in the number of regional offices at the chancery has resulted in an unequal distribution of space, which the Department should study how better to utilize. Although some concerns remain, ICASS is working well.

¹ Inspections carried out by the Office of Inspections comprehensively review the operations and overall management of a given post, mission, bureau, or office of the Department of State, Arms Control and Disarmament Agency, U.S. Information Agency, or the Broadcasting Board of Governors, without attempting to evaluate in-depth any particular function or program. Their main purpose is to bring important issues and management deficiencies to the attention of senior management together with recommendations for corrective action, although they also include self-evaluation and self-correction through counseling.

Embassy Mbabane, Swaziland, and the U.S. Information Service Swaziland (ISP/I-98-29)

Embassy Mbabane--under an experienced, effective, and policy-savvy chief of mission--has pursued a broad agenda with impressive ambition, creativity, vigor, and finesse. The sweep of the mission's activities and its record of concrete accomplishment are remarkable, all the more so given declining resources available and the departure of USAID, Peace Corps, and Foreign Broadcast Information Service from Swaziland. USIS remains at post, and actively participates in policy brainstorming, development of programs to advance U.S. goals, and formulation of the Mission Performance Plan (MPP).

Despite heroic efforts in promoting U.S. influence and nudging Swaziland toward a civil society, future assistance seems virtually certain to decline. The Department of State should weigh carefully whether policy interests in Swaziland are of sufficient magnitude to justify the staff and resources assigned to Embassy Mbabane. U.S. rhetoric, enthusiasm, and initiative may already be out in front of U.S. ability to deliver what the Swazis have been led to expect. The U.S. Government should either make a commitment to provide adequate resources at current levels or, alternatively, prepare for a substantially more modest diplomatic profile in Mbabane or even coverage of residual interests from another country in the region.

Embassy Bangkok, Thailand and Its Constituent Post, and the U.S. Information Service Thailand (ISP/I-98-26)

Embassy Bangkok is one of the largest in the world, reflecting both the historical friendship between Thailand and the United States and the embassy's role as a regional center. More than 30 offices and agencies sit on the country team. The Ambassador and DCM provide outstanding leadership. Close interagency coordination has produced successes in counternarcotics operations and support for American business. The Consulate General in Chiang Mai makes a notable contribution to the counternarcotics effort. Thailand is coping with a severe economic crisis, and the embassy has been influential in crafting the U.S. response. The fall in property values has delayed the planned sale of some valuable embassy properties.

Key Issues Identified

- The State Department's Overseas Staffing Model does not fit the embassy precisely. The inspection disagreed with the cuts that the model would make in information management staff and the increases it would provide in the administrative area.
- The costly new Chancery, built to Inman security standards, has had persistent air conditioning and telephone problems that the embassy and Department are endeavoring to solve.

- The International Broadcasting Bureau's relay station has two well-run and efficient transmitting facilities.
- Closure of consulates general in Udorn and Songkhla has made it more difficult to serve American citizens and report on developments outside Bangkok. A consular agency is needed in the resort of Phuket, and embassy reporting officers should travel more.
- The Orderly Departure Program for Vietnamese refugees has operated from Bangkok for many years, but its planned move to Ho Chi Minh City in Vietnam should be accelerated. Funding responsibility should be shifted from the Bureau of Refugee and Migration Affairs to the Bureau of East Asian and Pacific Affairs.

Reports Issued by the Office of Security and Intelligence Oversight²

Embassy San Salvador, El Salvador (SIO/I-98-29)

Need to Improve the Level of Emergency Preparedness Readiness

One of the most realistic security problems facing Embassy San Salvador is the ability to plan for and oversee the aftermath of a natural disaster. El Salvador is an earthquake prone country that suffered a devastating earthquake in October 1986 which destroyed much of the downtown area of San Salvador and rendered the then U.S. chancery unusable.

Approximately 40% of American officers do not know what to do if they are cut off from the embassy in the event of a natural disaster. Few of those interviewed were sure of what steps, if any, the embassy would take to pick up the children at school and bring them to a central location, or whether it would be the responsibility of each family to pick up their children. After discussions with the inspection team, the chief of mission initiated action to hold a series of three mandatory town meetings, the first held on February 18, to educate mission personnel on what procedures are to be followed in the event of an emergency, including a decision to have the embassy pick up the children at the schools and bring them to a central location.

The Lack of Established Procedures for Responding to Serious crimes against Peace Corps Volunteers

The Peace Corps needs to have a formal set of procedures established for notifying the RSO and post management when serious crimes have been directed against Peace Corps volunteers. Although the present Peace Corps director has agreed to work closely with post management, long-term procedures need to be in place that are independent of the good working relationships of future post officials and Peace Corps directors.

² Inspections undertaken by the Office of Security and Intelligence Oversight (SIO) evaluate the formulation, dissemination, and applicability of security standards set in Washington and their implementation at all U.S. diplomatic posts abroad. The SIO inspections assess the ability of each post to respond to threats from terrorism, mob, or other physical intrusion, hostile intelligence activities, and crime, and recommend specific corrective actions to eliminate or reduce the security vulnerabilities identified. Because they discuss specific security problems at the inspected posts, the reports are classified and are distributed on a strict need-to-know basis.